

NOVATO SANITARY DISTRICT

Solid Waste Committee

Meeting Date: September 20, 2017

The Solid Waste Committee of Novato Sanitary District will hold a meeting at 3:00pm, Wednesday, September 20, 2017 at the District offices, 500 Davidson Street, Novato CA.

Materials related to items on this agenda that are public records, are available for public inspection in the District Office, 500 Davidson Street, Novato, during normal business hours. They are also available on the District's website: www.novatosan.com. Note: All times and/or order of consideration for agenda items are for reference only. The Committee may consider item(s) in a different order than set forth herein.

AGENDA

1. APPROVE AGENDA:

2. PUBLIC COMMENT: (PLEASE OBSERVE A THREE MINUTE TIME LIMIT)

This item is to allow anyone present to comment on any subject not on the agenda, or to request consideration to place an item on a future agenda. Individuals will be limited to a three-minute presentation. No action will be taken by the Board at this time as a result of any public comments made.

3. UPDATES/ROUTINE BUSINESS ITEMS:

- a. City of Novato.
- b. Redwood Landfill.
- c. Marin County JPA and Local Task Force.
- d. 2017 HHW programs.
- e. E-Waste event October 7-9, 2017.

4. 2017 DISPOSAL/DIVERSION REPORTS AND NOVATO DISPOSAL SERVICE (NDS) 1ST AND 2ND QUARTERLY REPORTS:

5. CALCULATED DIVERSION RATE AND CALRECYCLE PER CAPITA DIVERSION METHOD:

- a. Receive Per Capita diversion calculation for 2016.
- b. Receive CalRecycle publication on diversion rate calculation ("Goal Measurement FAQ's").

6. RECYCLING CENTER AND HHW FACILITY:

- a. Receive update from Novato Disposal Service (NDS) on potential facility relocation.

7. CALENDAR YEAR (CY)2018 SOLID WASTE RATE ADJUSTMENT:

- a. Review report and make recommendation to District Board.

8. ADJOURN:

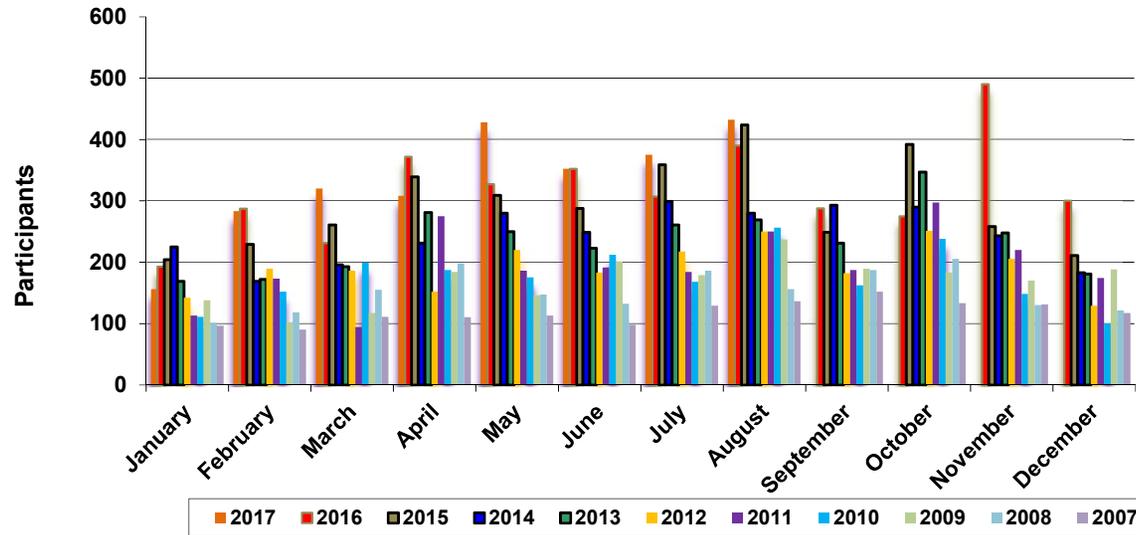
In compliance with the Americans with Disabilities Act, if you need special assistance to participate in this meeting, please contact the District at (415) 892-1694 at least 24 hours prior to the meeting. Notification prior to the meeting will enable the District to make reasonable accommodation to help ensure accessibility to this meeting.

HHW FACILITY SUMMARY 2017	JANUARY	FEBRUARY	MARCH	APRIL	MAY	JUNE	JULY	AUGUST	SEPTEMBER	OCTOBER	NOVEMBER	DECEMBER	TOTAL
Total Participants	156	283	320	308	428	352	375	432					
Been to events before?(Yes)	128	233	261	250	333	284	306	349					
Permanent facility?	107	206	234	226	296	245	258	313					
Temporary events?	26	42	41	36	58	61	66	57					
First time user?	28	40	59	58	95	68	69	83					
Type of waste brought in?													
Antifreeze	5	20	16	22	26	15	23	46					
Asbestos	0	5	2	0	2	1	4	3					
Auto products	20	36	47	44	66	44	58	91					
Car batteries	1	6	4	11	13	4	10	12					
Computer monitors	9	22	16	19	17	22	22	16					
Cements, sealers	20	29	45	39	53	41	52	66					
E-Waste(all types)	55	99	98	73	89	93	98	115					
Fluorescent tubes& bulbs	26	55	52	44	54	48	54	63					
Fuels(gas, kerosene, diesel)	6	19	28	41	40	26	37	54					
Household batteries	33	78	73	69	98	75	83	101					
Household cleaners, polishes	30	73	70	86	109	84	108	121					
Latex paint	61	97	108	110	178	147	151	187					
Motor oil/filters	15	31	36	37	56	53	47	49					
Oil base paint	29	51	78	68	114	83	107	116					
Paint thinners, solvents	33	65	75	88	117	79	102	131					
Pesticides, herbicides, insecticides	20	42	52	55	99	77	72	108					
Pet care products	4	6	11	8	11	13	11	12					
Photo chemicals	1	3	1	2	2	2	3	2					
Pool Chemicals	2	6	4	8	17	8	11	10					
Propane/helium tanks/fire extinguishers	10	20	20	26	56	38	33	44					
Sharps	1	4	5	5	4	4	2	7					
Spray paints	19	44	51	47	81	68	64	84					
Television	22	42	48	29	26	40	27	43					
Thermometers/Thermostats	3	7	5	4	6	6	3	6					
Wood preservatives, stains	12	27	45	35	68	44	51	75					
Other	1	9	7	3	9	3	15	11					
Hear about program?													
Recycling Center flier	70	113	127	113	165	131	141	173					
Sanitary District newsletter	31	54	62	66	103	90	74	89					
Sanitary District website	20	28	35	22	41	44	50	51					
Novato Disposal newsletter	63	111	141	126	182	149	162	168					
Word of mouth	25	38	48	33	46	45	48	71					
Other	7	20	24	15	24	9	19	25					
Change your own motor oil?													
Yes	30	36	42	36	46	42	39	50					
Novato Recycling Center	22	27	33	25	30	32	26	32					
O'Reilly's	9	10	12	12	11	11	11	17					
Pennzoil	0	1	1	0	1	1	1	1					
Other	1	0	5	1	4	0	3	3					
If yes, want curbside pickup?	10	15	13	9	13	11	12	12					
No	149	247	278	272	382	310	349	420					
Comments													
Compliments/Good	51	94	117	98	137	118	129	139					
Complaints	0	0	1	4	5	4	2	5					

HHW PARTICIPANTS 2006 - 2017

	<u>January</u>	<u>February</u>	<u>March</u>	<u>April</u>	<u>May</u>	<u>June</u>	<u>July</u>	<u>August</u>	<u>September</u>	<u>October</u>	<u>November</u>	<u>December</u>	<u>Totals</u>	
2017	156	283	320	308	428	352	375	432					2,654	
2016	193	287	231	372	327	352	307	390	288	275	490	300	3,812	
2015	204	229	261	339	309	288	359	424	249	392	258	211	3,523	open 3 days in April, 6 days in August
2014	225	169	196	231	280	249	299	280	293	290	262	183	2,957	open 3 days in April
2013	169	172	193	281	250	223	261	269	231	347	248	181	2,825	
2012	142	189	186	152	220	183	217	250	182	251	205	129	2,306	
2011	113	173	94	275	186	191	184	250	187	297	220	174	2,344	
2010	111	152	199	187	175	212	168	256	162	238	148	100	2,108	August 6 days
2009	138	102	117	184	146	201	179	237	189	183	170	188	2,034	August 6 days
2008	101	118	155	198	147	132	186	156	187	205	130	121	1,836	
2007	96	90	111	110	113	98	129	136	152	133	131	117	1,416	
2006	57	118	115	112	140	111	145	120	119	95	106	73	1,311	
% Change from 2016	-19.17%	-1.39%	38.53%	-17.20%	30.89%	0.00%	22.15%	10.77%						

HHW Facility Monthly Participation 2007- 2017



FREE HOUSEHOLD E-WASTE DROP-OFF



Saturday, October 7 - Monday, October 9, 2017
Novato Recycling Center, 7576 Redwood Blvd.
10:00 AM - 3:00 PM



A special **three-day FREE** drop-off event for Novato residents to recycle old common electronic products - *E-Waste* - such as televisions, computers, VCR's and other small home electronics. Many common electronic products such as computer monitors and old television sets can damage the environment if disposed of improperly. *E-Waste* is considered a hazardous waste and **CANNOT** be disposed of in the trash.

✓ What WILL be Accepted at this drop-off *:

✓ Computers (PC's & Laptops) - maximum of 5	✓ Telephones, Cell Phones, Answering Machines
✓ Fax Machines and small table-top copy machines	✓ Electric typewriters
✓ Computer Monitors - maximum of 5	✓ Televisions
✓ Computer peripherals - (keyboards, printers, scanners, cables, mouse)	✓ Radios, tape players, stereos, DVD players, VCR's, camcorders
✓ Kitchen Appliances - (microwaves, blenders, toaster ovens, coffee makers, etc)	✓ General Household Appliances - (hair dryers, irons, vacuums, lamps, etc.)
* This is only a partial list of items. If you have a question about an item, please call 892-7344	

X What will NOT be accepted at this drop-off *:

X <u>NO</u> Large Appliances such as washers, dryers, stoves, refrigerators, water heaters, dishwashers, air conditioners, etc. If you have any of these items please contact Novato Disposal Services at 897-4177 for a pick-up.
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Although both working and non-working electronics will be accepted at this event, please consider donating working equipment to a local charity or thrift store.

Novato Disposal offers free pick-up of household electronics for single-family residential customers up to four (4) times a year, limited to three (3) yards of material per pick-up. Call Novato Disposal at 897-4177 to schedule a pick up.

Event is for **NOVATO HOUSEHOLDS ONLY**.

Novato Businesses please call 892-6395 for further disposal information

Questions? Call the HHW Hotline at 892-7344

Event sponsored by Novato Sanitary District, Novato Disposal Services and ECS Recycling

NOVATO DISPOSAL SERVICES DISPOSAL/DIVERSION 2017

DIVERSION	<u>1stQ</u>	<u>2ndQ</u>	<u>3rdQ</u>	<u>4thQ</u>	<u>TOTAL</u>
Novato Disposal Recycled Shipped (Curbside & Buyback)	3,458	3,082			
Novato Disposal C&D, Wood, Inerts & Bulky waste	420	563			
Novato Disposal Green waste & residential food waste for compost	3,823	4,026			
Novato Disposal Commercial Food Waste for compost	93	94			
TOTAL TONS DIVERTED	7,794	7,765			
DISPOSAL					
MSW& Debris Box/Novato Disposal	7,189	7,135			
TOTAL TONS DISPOSED	7,189	7,135			
TOTAL WASTE GENERATED(TONS)	14,982	14,900			
PERCENT DIVERTED	52.02%	52.11%			
PERCENT DIVERTED WITH REDWOOD & MRRC	49.27%				

CITY OF NOVATO & DISTRICT AB939 DISPOSAL AND DIVERSION MONITORING

Haulers: Novato Disposal
Self Haulers

Reporting period: January - December 2017

A. 2017 DIVERSION	<u>1st Qtr.</u>	<u>2nd Qtr</u>	<u>3rd Qtr.</u>	<u>4th Qtr.</u>	<u>TOTAL 2017</u>
Novato Disposal Recycled (Curbside & Buyback)	3,458.00				
MRRC recovery	346.32				
Self haul Inerts Diverted Redwood Landfill	580.26				
Redwood Landfill self haul C&D& wood waste recycled	26.12				
City of Novato C&D diverted(included in Novato Disposal)	N/A				
ADC from MRRC	N/A				
Compost from MRRC	114.26				
Greenwaste From Redwood Landfill self haul/compost	81.80				
Novato Disposal Inerts	420.00				
Novato Disposal Green/Food Waste used for compost	3,823.00				
Novato Disposal commercial food waste used for compost	93.00				
North Marin Metal Recycling	0.00				
2017 TOTAL TONS DIVERTED	8,942.76				
B. 2017 DISPOSAL					
MSW& Debris Box/Novato Disposal	7,189.00				
MRRC Residuals	861.67				
MRRC Wood/Yard Waste incinerated/transformation	195.65				
Redwood Landfill self haul C&D waste disposed	1,001.13				
Novato waste disposed out-of-county	N/A				
2017 TOTAL TONS DISPOSED	9,247.45				
C. 2017 TOTAL WASTE GENERATED(TONS)	18,190.21				
D. COMPLIANCE WITH AB939 DIVERSION MANDATE	49.27%				
Percent Diverted Using Generation Based Calculation Method(includes 10% incineration waste)					

REDWOOD LANDFILL SELF HAUL BREAKDOWN (TONS)

	<u>1st Qtr.</u>	<u>2nd Qtr</u>	<u>3rd Qtr.</u>	<u>4th Qtr.</u>	<u>TOTAL 2017</u>
Inerts/ Diverted	580.26				
Greenwaste Diverted/compost	81.80				
C&D/ Disposed	1,001.13				
C&D & Wood Waste Recycled	26.12				
Total	1,689.31				
Percent Redwood self haul diverted	40.74%				

CITY OF NOVATO
1st Quarterly Report
January- March 2017

Submitted by Novato Disposal Service

A. Solid Waste Data

A. Tons Delivered to Disposal Site

		This Quarter	Same Quarter One Year Ago
Residential	*	3,163.01	3,097.49
Commercial	**	4,025.65	3,942.25
TOTAL:		7,188.66	7,039.74

*includes commercial/multifamily locations served with carts

**includes multifamily accounts service with bins

B. Recycling Data

Tons Collected and Processed

This Quarter: 3,486.28

Same Quarter One Year Ago 2,713.02

Commodity	Curbside	Buyback	Total
	Commercial Multifamily Residential		
Cardboard	297.66	0	297.66
Paper (News & Mixed)	42.19	0	42.19
Paper (Overages)*	3,015.92	0	3,015.92
Aluminum Cans & Foil	0	14.03	14.03
Metal Cans	0.1	0	0.1
**Glass	21.58	37.88	59.46
Plastic PET	1.71	15.99	17.70
Plastic NHDPE	0.27	0.30	0.57
Plastic All Other	6.23	0	6.23
Other diverted materials	33.42	0	33.42
Total	3,418.08	68.20	3,486.28

* Please note this number was included in Mixed Paper in past reports.

**This includes glass overages

C. Greenwaste Data

Tons Collected and Processed

This Quarter:	3,823.34
Same Quarter One Year Ago:	3,462.51
Food Waste:	92.82
Wood Waste:	11.63

Final Disposition:

All green waste was used as compost.

D. Construction and Demolition Data, including inert solids

Tons Collected and Processed

This Quarter:	379.64
Same Quarter One Year Ago:	493.71

E. Service Accounts

Residential Cart Weekly		Same Quarter One Year Ago
Can size	Number of Customers	Number of Customers
20 gallon	2,437	2,330
32 gallon	10,963	11,071
68 gallon	3,064	3,044
95 gallon	304	328
Non-Auto	6	6

Multifamily Cart Customers**			Cart Amt. ,Same Quarter One Year Ago**	
Can size	Weekly	2 or more times weekly	Weekly	2 or more times weekly
20 gallon	9	0	13	0
32 gallon	294	0	299	0
68 gallon	118	0	111	0
95 gallon	26	0	26	0

Multifamily Bin Customers				Same Quarter One Year Ago		
Bin size	Weekly	2 times weekly	3 or more times weekly	Weekly	2 times weekly	3 or more times weekly
2 yd.	12	3	2	11	4	2
3 yd.	37	37	53	38	38	53
4 yd.	0	0	4	0	0	4
6 yd.	0	1	9	0	1	9

Commercial Cart Weekly		Same Quarter One Year Ago
Can size	Number of Customers	Number of Customers
20 gallon	1	0
32 gallon	230	230
68 gallon	158	171
95 gallon	132	121

Commercial Bin Customers				Same Quarter One Year Ago		
Bin size	Weekly	2 times weekly	3 or more times weekly	Weekly	2 times weekly	3 or more times weekly
2 yd.	103	9	2	106	10	4
3 yd.	156	100	82	160	98	78
4 yd.	13	12	13	14	14	11
6 yd.	6	3	14	7	2	10

Commercial Special Service*		Same Quarter One Year Ago
Bin Size	Number of Customers	Number of Customers
3 yd.	9	9
15 yd.	2	2
20 yd.	3	1
30 yd.	5	2
Compactor	10	12

*Special service is bimonthly, monthly, on-call or other irregular service

F. Holiday Tree Collection

Novato Disposal Service collected holiday trees from residents during the week of January 2nd - 6th. Novato Disposal also provided boxes and tree removal service to San Marin High School's tree drop-off Project Safe Grad Fundraiser. Over 23 tons of holiday trees were collected and disposed of as compost.

G. E-Waste Event

Novato Disposal Service will be participating in the Novato Sanitary District's E-Waste Drop-off event April 22nd – 23rd.

Community Education/Outreach

- Novato Disposal staff left recycling and composting information with staff at Teeny Cake.
- Novato Disposal Staff delivered recycle information to Sutter Health Inc.
- Novato Disposal staff spoke to cashier at Redwood Bagel. Staff left recycle outreach information with a contact number to our department to get started on some staff education.
- Novato Disposal staff dropped off recycling information at Mountain Mikes.
- Novato Disposal Outreach staff visited Redwood Credit Union spoke with teller in regards to increasing recycling efforts and possible presentations for employees.
- Novato Disposal staff spoke with Jack in the Box in regards to recycling and food scrap on site. Staff offered presentations and left food scraps signage.
- Novato Disposal Outreach Staff left recycling information in drop off box and did a visual site audit for Best Western Inn. A follow-up phone call has been provided for education.
- Novato Disposal Outreach staff dropped off recycling and composting information at the Dragon Cafe
- Novato Disposal staff dropped off recycling and composting information to staff at Taqueria Real.
- Novato Disposal staff left recycle information with staff at North bays Children Center.
- Novato Disposal staff has reached out to all of the hospitals to increase recycle efforts and is in the process of providing presentation to staff members, results will be presented on next report.
- Novato Disposal Service along with Novato Sanitary district tabled at the Seniors Health Service Day. Compost countertop pails were handed out to 25 lucky Novato residential members. Recycle, compost, and hazardous information was available to interested guest as well as a thermometer exchange was available.

Schools

- During the 1st quarter of 2017, various contacts at each school in Novato were sent a quarterly recycle update letter about Earth Day highlighting the importance of recycling and the free recycle services/education available to them.
- Novato Disposal Outreach staff & Novato Sanitary District joined forces and visited various locations, provided walk through audits and changed services where needed.

I. Additional Information

Mailers

Please find attached:

- New start post cards
- Novato E-waste Billing insert
- Selected multi-family units were sent a business packet describing services available through Novato Disposal. We have since received a response from a few complexes in terms of outreach on site to tenants with our recycling signage and recycling guide. Also provide site visits with property owners or managers to assess and increase recycle efforts.
Customers contacted:

Multi-Family Mailer				
Customer Contacted	Responded	# of units	RRY Serv.	Yard Waste
Posada West	Yes	38	3yd bin	-
Rowland Apartments	Yes	36	3-64gal carts	-
Cornerstone	No	-	-	-
Quail Hollow Homeowners	Yes	43	3yd bin	-
Scottsdale Lake	Yes	Waiting	6-96gal carts	-
Cowbarn Apartments	No	-	-	-
Madera Marin	No	-	-	-
Edgewater Condominiums	Yes	36	4YD RRY	-
Romar Apartments	Yes	58	Dropped promo letter	-

Donations

- Novato Disposal service donated (8) 30 cubic yard, yard waste boxes to the City of Novato for the Annual Holiday Tree Drop off.

- Novato Disposal service donated (4) 4 yard garbage bins to Idesi for the Crab Feed on.
- Novato Disposal service donated (1) 4 yard garbage bin to Novato High School Baseball for the Novato High Baseball and Novato High Softball.
- Novato Disposal service donated (1) 3 yard garbage bin to Idesi for the Fado Dinner Show.
- Novato Disposal service donated (1) 3 yard garbage bin, (1) 3 yard recycle bin to Knights of Columbus for the KC St. Patrick's Day Dinner Dance on.

Great Program for Novato Disposal Residential Customers

Bulky Item Collection

Novato Disposal now provides collection of bulky items for single family residential garbage customers up to 4 times a year at no additional cost. Additional items or items with Freon (such as a freezer) can be collected throughout the year for an additional fee. Each pickup can include up to 3 items or the equivalent of 3 cubic yards. This service includes the collection of household appliances and other items too large to be placed in collection carts.

Examples of items eligible for this free bulky item collection program include:

- small sofas
- washers, dryers & other appliances
- exercise equipment
- bags of multiple small items
- tables and chairs

Please direct usable items to a donation center, such as Goodwill or Salvation Army.

To schedule a pickup, call customer service at 897-4177.

For more info, visit www.unicycler.com.





Dear Business Owner or Manager,

Businesses in Novato have a valuable resource when it comes to cutting down on waste. Novato Disposal Service Coordinators can provide assistance to businesses to decrease their solid waste through education and good recycling practices. Recycling Coordinators will look at your business specific needs and can provide resources and information as needed. Some of the benefits of Novato Disposal Outreach Services to businesses include:

- **Recycling Service is included in solid waste costs.**
- **Recycling Coordinators provide free outreach and education about recycling and composting to help reduce waste.**
- **Good recycling habits can help decrease solid waste disposal costs and save you money!**
- **Recycling and composting enables businesses to promote themselves as responsible stewards of the environment.**

Recycling and Composting is a respected practice for the community, and customers appreciate this dedication. Please find the enclosed Business Recycling Guide, which can be posted for employee education, as well as some helpful Recycling Resources for businesses. Visit our website at www.unicycler.com, and take the “Go Green” Business Pledge to receive a free window sticker advertising your organization’s commitment to the environment!

To request a Recycling Outreach consultation, call your Recycling Coordinator at (707) 585-5273 or email at bessie@unicycler.com

Thank you,

Bessie Martinez
Novato Disposal
Recycling Outreach Coordinator



Novato Disposal Service

unicycler.com

Dear Onsite Manager or Property Owner,

This letter is provided to summarize the no-cost materials available to you through our Multifamily Recycling Outreach Program as well as to inform you about additional free resources available to you. Recycling outreach staff is available to provide the following to you and your tenants:

- **Site Visit:** Recycling outreach staff is available to meet on-site with your property manager to discuss current waste and diversion programs and offer suggestions for expanding solid waste programs programs.
- **Single-Stream Recycling Door Hanger or sheets:** An easy resource available in English and Spanish listing what is recyclable can be provided to all tenants.
- **Bi-annual Recycling Newsletter:** Tenants receive helpful recycling tips and are informed about local recycling efforts and waste reduction issues. We can add your unit addresses to our mailing list so tenants can receive this helpful resource.
- **Recycle and Compost Guides for Common Areas:** If your site has a laundry room and/or other common area, posting recycling and compost guides can be very effective for ongoing community education.

Multifamily recycling and compost programs can **decrease waste disposal costs** for building owners. Recycling service is included with the cost of refuse service and compost service is set at a lower rate, than the refuse service cost. Multifamily recycling and composting also helps to achieve local and state recycling goals for our community. If you want to learn more about how to increase your efforts please contact your recycling coordinator Bessie Martinez at (707) 585-5273 or bessie@unicycler.com and visit our website at www.unicycler.com

Thank you,

Novato Disposal
Recycling Outreach Coordinator

Welcome to Novato Disposal!

Please visit our website at www.unicycler.com to find information such as:

- Recycling Guides
- Online Bill Pay
- Newsletters
- Holiday Schedules
- Hazardous Waste Disposal
- Resources and Opportunities for Schools and Businesses
- Composting Guides
- Cart and Bin Placement
- Go Green Section
- Debris Boxes
- Fun Videos



Phone Hours: Monday - Friday 7am-6pm
Saturday - Sunday 7am-3pm

Please call **897-4177** if you have additional questions, or need materials mailed to you. **Se habla español.**

We look forward to serving all your solid waste and recycling needs!

Solid Waste Committee Agenda Packet
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Novato Disposal Service
P.O. Box 3849
Santa Rosa, CA 95402



Printed on 100% Recycled Content Paper



Solid Waste Committee Agenda Packet
September 20, 2017 (Page 19 of 52)



March 2017

Hello Teachers, Principals and Educators,

With Earth Day right around the corner and the school year slowly coming to a close, Novato Disposal would like to remind you that Recycle Outreach Coordinators are available to you at no charge with multiple resources to help implement or enhance your recycling or composting program. Since taking care of the earth and “going green” is on the mind with Earth Day coming up, now is a great time to educate your students on the benefits of recycling and how it helps both the environment and our local community. The following resources are available to you free of charge at any time:

- **Site Visit:** Outreach staff is available to visit your school to start or enhance your current recycling program. We can provide recommendations for sizes, update signage on indoor cans or outdoor bins so they’re clearly marked and work with staff to determine the most effective way to reach your students and make recycling as easy to do as possible.
- **Presentations:** To teach your students about what happens to garbage and recycling once it leaves school, our staff can provide grade-appropriate presentations or school wide assemblies where we can provide information, activities and answer students questions.

We also have various resources available to you such as recycling guides and updated signage for recycle receptacles, as well as other valuable information on our website, www.unicycler.com. Feel free to contact me at 707-585-5273 or email me at bessie@unicycler.com for any recycling material resources, questions or if you’re interested in any of the outlined services.

Help empower your staff and students to make choices as simple as recycling every day to help the environment and make our community a cleaner, healthier place to live.

Best,
Bessie Martinez
Novato Disposal Service
Recycling Outreach Coordinator

CITY OF NOVATO
2nd Quarterly Report
April- June 2017

Submitted by Novato Disposal Service

A. Solid Waste Data

A. Tons Delivered to Disposal Site

	This Quarter	Same Quarter One Year Ago
Residential	3,139.44	3,954.76
Commercial	3,995.64	3,107.31
TOTAL:	7,135.08	7,062.07

*includes commercial/multifamily locations served with carts

**includes multifamily accounts service with bins

B. Recycling Data

Tons Collected and Processed

This Quarter: 3,122.83

Same Quarter One Year Ago 3,278.68

Commodity	Curbside	Buyback	Total
	Commercial Multifamily Residential		
Cardboard	164.68	0	164.68
Paper (News & Mixed)	2.65	0	2.65
Recycling (Overages)*	2,817.45	0	2,817.45
Aluminum Cans & Foil	0	12.46	12.46
Metal Cans	0	0	0
**Glass	0	67.10	67.10
Plastic PET	0	16.64	16.64
Plastic NHDPE	0	.37	.37
Plastic CHDPE	0	0	0
Plastic All Other	1.91	0	1.91
Other diverted materials	39.57	0	39.57
Total	3,026.26	96.57	3,122.83

* Please note this number was included in Mixed Paper in past reports.

** This includes glass overages

***Previous reports included C&D

C. Greenwaste Data

Tons Collected and Processed

This Quarter: 4,026.01
 Same Quarter One Year Ago: 3,577.47

This Quarter:
 Food Waste: 93.07
 Wood Waste: 16.38

Last Quarter
 Food Waste: 92.09
 Wood Waste: 9.60

Final Disposition: All green waste was used as compost.

D. Construction and Demolition Data, including inert solids

Tons Collected and Processed

This Quarter: 506.93
 Same Quarter One Year Ago: 731.23

E. Service Accounts

Residential Cart Weekly		Same Quarter One Year Ago
Can size	Number of Customers	Number of Customers
20 gallon	2,439	2,353
32 gallon	10,911	11,047
68 gallon	3,104	3,054
95 gallon	351	336
Non-Auto	7	6

Multifamily Cart Customers**			Cart Amt. ,Same Quarter One Year Ago**	
Can size	Weekly	2 or more times weekly	Weekly	2 or more times weekly
20 gallon	1	0	1	0
32 gallon	15	0	18	0
68 gallon	18	0	17	0
95 gallon	8	0	8	0

Multifamily Bin Customers				Same Quarter One Year Ago		
Bin size	Weekly	2 times weekly	3 or more times weekly	Weekly	2 times weekly	3 or more times weekly
2 yd.	11	2	1	13	3	1
3 yd.	24	21	24	24	21	24
4 yd.	1	0	3	0	0	3
6 yd.	0	1	3	0	1	3
Commercial Cart Weekly			Same Quarter One Year Ago			
Can size	Number of Customers		Number of Customers			
20 gallon	1		0			
32 gallon	228		230			
68 gallon	158		169			
95 gallon	129		127			

Commercial Bin Customers				Same Quarter One Year Ago		
Bin size	Weekly	2 times weekly	3 or more times weekly	Weekly	2 times weekly	3 or more times weekly
2 yd.	101	11	2	106	10	3
3 yd.	161	98	81	151	101	85
4 yd.	12	15	12	14	13	11
6 yd.	6	3	15	7	2	10
Commercial Special Service*			Same Quarter One Year Ago			
Bin Size	Number of Customers		Number of Customers			
3 yd.	5		9			
15 yd.	2		2			
20 yd.	5		2			
30 yd.	7		2			
Compactor	20		17			

*Special service is bimonthly, monthly, on-call or other irregular service

F. Noteworthy Actions

E-waste Event

Novato Disposal Service participated in the Novato Sanitary District's E-Waste Drop-off event April 23rd - 25th.

Community Education/Outreach

- Novato Disposal Outreach staff provided recycling sticker signage to Next Key. Staff had questions about contamination. we have since returned with door hangers
- Novato Disposal Outreach staff spoke to Conservation Corp in regards to sign up for food scraps service and recycling already on site
- Novato Disposal Outreach staff spoke with Michelle at Beso and check carts in back out.. Staff completed a waste audit in efforts to increase recycling on site. Contamination was an issue in the recycle containers
- Novato Disposal Outreach staff dropped off food scrap & recycling information to Nugget Market. Looks like they are doing a great job.
- Novato Disposal Outreach staff mailed business packet to Casa Nova. Staff also called and followed up to see if we can increase recycling on site and provided door hanger to 40 tenants.
- Novato Disposal Outreach staff spoke with Manager at Novato Mobile Home Park. Staff provided updated recycling guides to place in laundry room and answered questions.
- Novato Disposal Outreach staff spoke with front desk at Armstrong Gardens. Staff spoke of future presentations and answered questions.
- Novato Disposal Outreach Staff spoke with librarian at North Bay Children's Center. Staff provided updated signage for containers on site. Waiting to hear back if composting will work out for the students.
- Novato Disposal Outreach staff followed up with Marin Golf & Country. Staff provided a new move in packet along with additional information on how to get started with increasing recycling on site.
- Novato Disposal Outreach Staff spoke with Posada East Apartments. Staff provided updated information about recycling composting options.
- Novato Disposal provided a presentation for the Sunrise Rotary for Beverly James

Events

- Novato Disposal Outreach staff hosted a booth with Novato Sanitary District at the Novato Art & Wine Festival.
- Novato Business Expo is where we provided tons of information to every booth in regards to recycle and compost for you business and home.
- Novato Disposal Outreach staff hosted a booth with Novato Sanitary District at the Tour of Novato Event.

Schools

- Novato Disposal Outreach staff provided recycling sticker signage to Novato Charter as well as 8 compost carts. Outreach staff provided updated information regarding food scrap, along with new signage to Novato Charter School.
- Novato Disposal Outreach staff provided a presentation to San Jose Middle School for staff and students.
- Outreach staff met with Principal at Sinoloa Middle School. Staff answered questions about starting a recycling program. We discussed future presentations suggested a school wide assembly for the following school year. Staff was on site to answer any questions.
- Outreach staff sent an email to all public schools wishing them a good summer and reminding them to consider the education opportunities available to them for no cost from Novato Disposal

G. Additional Information

Mailers, Stickers, Handouts

Please find attached:

- New start post cards
- All multi-family units were sent out a business packet describing services available through Novato Disposal.
- Food Scrap letter and sign up form handed out and mailed out to selected clients.
- **Spring issue of the Recycling News:** featured a front page article called "Working to Achieve Zero Waste". This article provided Novato Disposals about the single stream laws and more. Also included in this Springs edition was information about how to handle cooking oil and a few reminders along with local event promotions such as Novato's 22nd Annual Clean and Green Day, Tour of Novato (School Fuels), Novato Art, Wine & Music Festival and Novato's 4th of July Parade. Other details included in newsletter were service reminders, FAQ, recycle and compost guides, as well as 20 gal promotion, HHW Schedule, and E-waste recycling event information.

Donations

Novato Disposal provided the following donations:

- Novato Disposal Service donated (1) 3yd garbage bin to IDESI for an auction
- Novato Disposal Service donated (8) 64gal garbage, (8) 64gal recycle cans, 2 standard toilets, & 2 handicap portable toilets to the Foundation for Public Education for Tour of Novato & Fun Fair
- Novato Disposal donated a 1 standard portable toilet for Fishing at the Pond
- Novato Disposal donated a 30yd recycle box to Marin Food Bank for Stamp Out Hunger Food Drive
- Novato Disposal Service donated (2) 4yd garbage bins to IDESI for Holy Ghost Fiesta
- Novato Disposal Service donated (1) 20 yard garbage box (1) 4yrd recycle bin, (4) standard portable toilets for Novato Rotary Circus
- Novato Disposal Service donated (1) 30yd garbage box, (1) 30yd recycle box, and (8) 95gal recycle cans to Nativity of Christ Church for Marin Greek Festival
- Novato Disposal donated a 4yd recycle box to Lady of Loreto
- Novato Disposal donated a (8) 64gal garbage carts, (8) 64gal recycle carts, (8) 64gal compost carts to International Night
- Novato Disposal Service donated (2) 20yd garbage boxes, (1) 20 yard recycle box, (4) 3yd compost bins, (22) STD portable units, (5) ADA portable units & (7) sinks to Novato Chamber of Commerce for Art, Wine, and Music Festival

Per Capita Diversion Calculation for 2016 and Measurement System

In 2009, the state adopted SB 1016 which changed the reporting requirements of waste goal measurement from a diversion-based system to a **disposal-based indicator**--the per capita disposal rate. This system uses only 2 factors - a jurisdiction's population and its disposal, as reported by disposal facilities.

In order for CalRecycle and jurisdictions to more properly focus on successful program implementation, SB 1016 shifted from the historical emphasis on using calculated generation and estimated diversion to using annual disposal as a factor when evaluating jurisdictions' program implementation.

Overall benefits of the new approach include:

- A focus on PROGRAMS rather than numbers
- Measures disposal as reported by disposal facilities rather than estimating total diversion
- Accounts for population growth
- Eliminates complex calculations and simplifies goal measurement
- CalRecycle evaluates jurisdiction based on how well they are implementing programs as set forth in SRRE and Annual Report

This system still maintains the AB939 requirement of 50% waste diversion. In order to shift to the per capita disposal rate, the state calculated a "50 percent equivalent per capita disposal target method" – an amount of disposal that is approximately equivalent to a jurisdiction's current 50 percent diversion requirement. It is calculated using the average of 2003-2006 per capita generation for each jurisdiction and dividing this generation average in half to determine the 50 percent equivalent per capita disposal target. To reach the per capita disposal target, the jurisdiction needs to dispose of its 50 percent equivalent per capita rate or less. The lower the annual disposal rate, the better.

According to CalRecycle, cities, counties and regional agencies will NOT be compared to each other. Each jurisdiction's target is unique since it is based upon a unique base year target rate.

CalRecycle no longer considers diversion rates as a measurement goal. However, the state recognizes that many cities and counties have relied upon the diversion rate calculation, so an equivalent calculation rate was developed.

Below are the 2016 annual per capita disposal rate, and its equivalent diversion rate for Novato.

**Calculation for Annual per Capita Disposal Rate and Equivalent Diversion rate method

1 First calculate base period target rate:

To calculate base period target rate for City of Novato:

Average 2003 – 2006 generation rates. Divide by 2 to get disposal for jurisdiction if at 50% diversion

Avg. 2003-2006 generation = 139,115 tons/2 = 69,557 tons= disposal at 50%diversion

69,557 tons x 2000pounds/52,500 population/365 days = **7.32 pounds per person per day disposal target rate**

2. To calculate 2016 Annual Per Capita Disposal Rate

Disposal Tons x 2000 pounds /Population/365 = Pounds per Person per Day Disposed

2016 Disposal Tons = 34,354

34,354 tons x 2000 pounds/52,500population/365 = 3.58 Pounds per Person per Day Disposed

To calculate equivalent diversion rate, assume:

1 = (Current year per capita disposal/target per capita disposal *2)

1 = 3.58/7.32*2

1= 3.58/14.64

= 0.24453 disposal

vs. 0.75547 diversion

76% Equivalent Diversion rate for Novato for 2016

****All Calculations are based on CalRecycle required calculation method**

Also included in this package is a document, Item 5.b., "Goal Measurement FAQ's" from Cal Recycle's website which provides additional information.

Local Government Central Goal Measurement FAQs

Following are waste management and waste diversion questions most frequently posed to CalRecycle by local government solid waste officials.

[Overview](#) | [Compliance](#) | [Credits](#) | [Measurement](#) | [Reporting](#) | [Statewide](#)

Overview

- [What are the benefits of the new system?](#)
- [What is the 50 percent equivalent per capita disposal target?](#)
- [How do I explain to elected officials that "diversion rates" will no longer be used by CalRecycle?](#)
- [What is compliance based on now?](#)
- [Can I compare my number to another jurisdiction?](#)

Compliance

- [Will CalRecycle determine compliance with AB 939 based solely on an annual per capita disposal rate?](#)
- [Is a "Compliance Order" automatically assessed if my jurisdiction's annual per capita disposal rate is more than its calculated 50 percent equivalent per capita disposal target?](#)
- [Did SB 1016 change the frequency of CalRecycle review cycle?](#)

Credits

- [Will there still be a Biomass Credit?](#)
- [Can my jurisdiction still use transformation as a means to decrease its disposal rate?](#)

Measurement

- [What is the measurement?](#)
- [How will CalRecycle calculate a jurisdiction's 50 percent equivalent per capita disposal target rate?](#)
- [How will CalRecycle calculate the industry employment 50 percent equivalent per capita disposal target rate?](#)
- [Can a jurisdiction calculate a diversion rate using the Adjustment Method after 2007?](#)
- [What if a city has typically used its county population for the diversion rate calculation--would it be able to continue to use countywide numbers in the per capita calculation?](#)
- [How would the 50 percent equivalent per capita disposal target be calculated for a jurisdiction that has a rural reduced goal?](#)
- [What can I do if I believe the annual per capita disposal rate does not accurately reflect my jurisdiction's disposal reduction?](#)
- [What can I do if landfill disposal data is flawed and impacts my per capita disposal number?](#)
- [Can a jurisdiction submit a new base year/generation study?](#)
- [If a jurisdiction established a new base year in 2004, which years does CalRecycle use to calculate the equivalent per capita disposal rate?](#)
- [What about new cities and new regional agencies?](#)
- [If a Regional Agency changes its membership, how is the base calculation adjusted?](#)

Reporting

- [Can my jurisdiction submit an alternative population \(or employment\) factor?](#)
- [How will the 2007 Electronic Annual Report \(EAR\) differ from prior reports?](#)
- [Do jurisdictions need to provide diversion data for their owned-and-operated diversion programs listed in the EAR?](#)
- [Can a jurisdiction submit a reporting year disposal modification request?](#)
- [Do I have to update my SRRE or HHWE if program changes take place?](#)

Statewide

- [What is the latest statewide per capita disposal rate?](#)
- [What data was used to calculate the statewide per capita disposal rate?](#)
- [Did the slow economy cause the lower per capita disposal rate in 2009 and 2010?](#)
- [How is the statewide per capita disposal rate calculation different than the old diversion rate system?](#)
- [In 2007, the statewide diversion rate under the "old" goal measurement system was 58 percent, but the diversion rate under SB 1016 was 54 percent. Why is there a 4 percent difference?](#)
- [Will CalRecycle continue to calculate statewide diversion rates under the old system for comparisons?](#)

Overview

What are the benefits of the new system?

Under the old system, calculating diversion rates was a time-consuming and lengthy process, and rates could not be finalized for several years after the fact. Diversion rates also were based on estimates of generation that often were inaccurate. The new system allows jurisdictions to see their progress in a timely manner. SB 1016 builds upon AB 939 by implementing a simplified and timelier indicator of jurisdiction performance that focuses on reported disposal at CalRecycle-permitted disposal facilities. Each jurisdiction will have its disposal indicator within 6-9 months instead of 18-24 months. This will allow jurisdictions to address program performance earlier.

What is the 50 percent equivalent per capita disposal target?

The 50 percent equivalent per capita disposal target is the amount of disposal a jurisdiction would have had during the base period if it had been exactly at a 50 percent diversion rate. It is calculated using the average of 2003-2006 per capita generation for each jurisdiction. It then divides this generation average in half to determine the 50 percent equivalent per capita disposal target.

How do I explain to elected officials that “diversion rates” will no longer be used by CalRecycle?

Remember that disposing less generally means that you are diverting more! So now, you should be thinking that if your per capita disposal rate is less than your target, then that means you're doing a great job with your programs and that is great news! Under the old system, the objective was to be at or above a 50 percent diversion rate. Under the new system the objective is to be below your jurisdiction's 50 percent equivalent per capita disposal target. In cases where disposal does increase above your target, CalRecycle will work with you to determine the cause(s) of disposal increase.

What is compliance based on now?

SB 1016 does not change the 50 percent requirement in AB 939--it just measures it differently. Compliance is the same under the new system as it was under the old system, except that the emphasis on program implementation is more explicit now. Under both systems, the most important aspect of compliance is program implementation. To evaluate compliance, CalRecycle will look at a jurisdiction's per capita disposal rate as an indicator of how well its programs are doing to keep disposal at or below a jurisdiction's unique 50 percent equivalent per capita disposal target. But this number does not determine compliance. Compliance is based on CalRecycle evaluating that a jurisdiction is continuing to implement the programs it chose and is making progress in meeting its target.

Can I compare my number to another jurisdiction?

Remember that each jurisdiction is unique! Each one has its own 50 percent equivalent per capita disposal target, different demographics and industrial bases. You may be used to comparing your diversion rate with other jurisdictions in the region,

but because the per capita disposal calculation is unique to each jurisdiction, it is impossible to compare targets and disposal rates across jurisdictions.

Compliance

Will CalRecycle determine compliance with AB 939 based solely on an annual per capita disposal rate?

No. SB 1016 actually codifies how CalRecycle historically has been reviewing jurisdictions' compliance by focusing on program implementation. The law states that an annual per capita disposal rate is not determinative of jurisdiction compliance. It is one factor CalRecycle will use to evaluate diversion program implementation. CalRecycle Local Assistance and Market Development (LAMD) staff will continue to review the implementation of those local programs that the jurisdiction has chosen, to determine if the jurisdiction has met the requirements of AB 939. In doing this, CalRecycle will continue to rely on Annual Reports, staff jurisdiction visits and other information that the jurisdiction deems relevant to local program work. Furthermore, CalRecycle will use each jurisdiction's per capita disposal rate to determine which cycle, either a four-year or two-year cycle, that each jurisdiction is in for the next CalRecycle review.

Is a "Compliance Order" automatically assessed if my jurisdiction's annual per capita disposal rate is more than its calculated 50 percent equivalent per capita disposal target?

No, the law states:

"It is the intent of the Legislature that CalRecycle **shall not consider a jurisdiction's per capita disposal rate to be determinative as to whether the jurisdiction has made a good faith effort** to implement its source reduction and recycling element or its household hazardous waste element." (emphasis added)

In cases where disposal does increase above your target, then CalRecycle will work with you to figure out why. Compliance is based on CalRecycle evaluating that a jurisdiction is continuing to implement the programs it chose and is making progress in meeting its target.

Did SB 1016 change the frequency of CalRecycle review cycle?

In some cases, yes.

For those jurisdictions that were below 50 percent in 2006, but were approved by the Board as having made a good faith effort in the 2005-06 Biennial Review, the review cycle remains on a two-year cycle. The next CalRecycle review for these jurisdictions will be conducted in 2010 and will cover the program reporting years of 2007-2009. Note: Due to the implementation timing of the legislation, the 2007 reporting year is included in the first two-year review cycle.

For those jurisdictions that were at or above a 50 percent diversion rate in 2006 and had implemented their programs and were approved by the Board in 2005-06 Biennial Review, they are now on a four-year review cycle. The next CalRecycle review cycle for these jurisdictions will be conducted in 2012 and will cover the reporting years of 2007-11. Note: Due to the implementation timing of the legislation, the 2007 reporting year is being included in the four-year review cycle.

For any jurisdictions that form a new regional agency after 2008, they may be on a four-year or two-year CalRecycle review cycle depending on the individual jurisdiction's review status for the 2005-06 review. For example, if a new regional agency forms after 2008 and if one of the jurisdictions in the regional agency were deemed as being good faith effort in the 2005-06 Biennial Review, then the regional agency would be on a two-year cycle initially. Therefore, their next review would be conducted in 2010. Please contact your LAMD representative to discuss your particular regional agency review cycle.

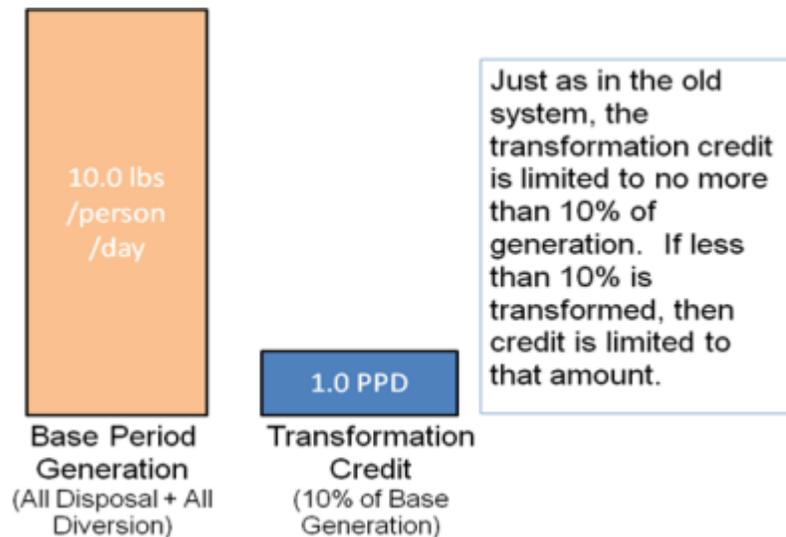
Credits

Will there still be a Biomass Credit?

Not as a separate calculation. However, because the annual per capita disposal rate is based on disposal tons, any biomass will not be reported as disposal. In other words, there is no cap on the amount of material a jurisdiction can send to biomass. Therefore, sending material to biomass will help to reduce disposal.

Can my jurisdiction still use transformation as a means to decrease its disposal rate?

Yes. The calculation under the new system maintains the credit from transformation. However, the way the credit is calculated has changed, as illustrated below. Under SB 1016, jurisdictions can claim no more than 10 percent of the average (2003 through 2006) calculated per capita generation tonnage.



Measurement

What is the measurement?

Starting with the 2007 reporting year, the Board converted each jurisdiction's 50 percent diversion goal into a 50 percent equivalent per capita disposal target using a very simple mathematical equation. Then annually each jurisdiction's actual annual per capita disposal rate is compared to their 50 percent equivalent per capita disposal target. While the terminology is new and different, the concept remains simple. Under the new system, the objective is to be below the 50 percent equivalent per capita disposal target. It is important to understand the difference between the 50 percent equivalent per capita disposal target and the annual per capita disposal rate. See question to understand how this calculation is made.

How will CalRecycle calculate a jurisdiction's 50 percent equivalent per capita disposal target rate?

The 50 percent equivalent per capita disposal target is the amount of disposal a jurisdiction would have had during the base period if it had been exactly at a 50 percent diversion rate. It is calculated using the average of 2003-2006 per capita generation for each jurisdiction. It divides this generation average in half to determine the 50 percent equivalent per capita disposal target. For a rural reduction, to calculate, instead of dividing by 2 (same as multiplying by 0.5), multiply by 1 minus the diversion percentage rate (example: 30 percent diversion rate, multiply by 1--0.3 or 0.7).

Note that per capita disposal uses only two factors: jurisdiction disposal and jurisdiction population. Disposal facility reports are provided quarterly to CalRecycle. The Department of Finance reports annually on jurisdiction population.

How will CalRecycle calculate the industry employment 50 percent equivalent per capita disposal target rate?

Industry employment will be calculated using the same method as the population 50 percent equivalent disposal target rate. However, since industry employment at the jurisdiction level is not available for years prior to 2005, employment and generation for the years 2005 and 2006 only will be used.

Can a jurisdiction calculate a diversion rate using the Adjustment Method after 2007?

Jurisdictions may estimate diversion rates for internal review purposes; however, beginning in measurement year 2007 the Board will not consider diversion rates. CalRecycle will continue to provide a blank calculator and a link to the adjustment factors for jurisdictions. However, Taxable Sales Deflator Index (TSDI) and Consumer Price Index (CPI) adjustment factors for the reporting year may not be available for a year or more after the measurement year.

What if a city has typically used its county population for the diversion rate calculation -- would it be able to continue to use countywide numbers in the per capita calculation?

No. It must use jurisdiction specific population, or jurisdiction industry employment.

How would the 50 percent equivalent per capita disposal target be calculated for a jurisdiction that has a rural reduced goal?

The 50 percent equivalent per capita disposal target will be based on the rural reduced goal. For example, if a jurisdiction has a rural reduced goal of 35 percent, its target would be 65 percent of the per capita base generation (see [the above question about calculations](#) an example).

What can I do if I believe the annual per capita disposal rate does not accurately reflect my jurisdiction's disposal reduction?

It is important to note that the annual per capita disposal rate is not determinative of jurisdiction compliance. Since the per capita disposal rate is only one factor used to evaluate program implementation, your time and resources may be better spent on program implementation and monitoring activities. Both jurisdiction population and jurisdiction industry employment will be provided in the EAR. Please remember that these are just factors to consider and are not determinative of compliance. Section 41780.05(c), addresses this concern:

“(2) (A) If a jurisdiction is predominated by commercial or industrial activities and by solid waste generation from those sources, CalRecycle may alternatively calculate per capita disposal to reflect those differing conditions.

(C) CalRecycle shall calculate the per capita disposal rate for a jurisdiction subject to this paragraph using the level of industry employment in a jurisdiction instead of the level of population in a jurisdiction.

(3) If CalRecycle determines that the method for calculating the per capita disposal rate for a jurisdiction provided by paragraph (1) or (2) does not accurately reflect that jurisdiction's disposal reduction, CalRecycle may use an alternative method of calculating the per capita disposal rate that more accurately reflects the jurisdiction's efforts to divert solid waste.”

Additionally, to address situations where the 50 percent equivalent per capita disposal target cannot be accurately determined or if the target is no longer representative of a jurisdiction's waste stream, LAMD staff will evaluate trends in the jurisdiction's per capita disposal rate. In the rare cases that these factors are not representative of changes in your jurisdiction, please explain other factors to your LAMD representative. In collaboration with the jurisdiction, LAMD staff will evaluate other per capita factors and the impact these have on the per capita disposal rate.

What can I do if landfill disposal data is flawed and impacts my per capita disposal number?

To ensure that jurisdictions may address misallocation issues, SB 1016 continues to allow verified disposal deductions. Jurisdictions should work closely with landfills and haulers to encourage accurate disposal reporting, and to put systems in place that discourage misreporting. In addition, some jurisdictions have formed regional agencies to eliminate misallocation problems that cannot be overcome in any other way. If misallocation issues continue, please discuss options with LAMD staff

Can a jurisdiction submit a new base year/generation study?

CalRecycle will only accept new base year studies commenced prior to June 30, 2008. A jurisdiction may conduct a generation study for internal review purposes; however, CalRecycle will not review it for compliance determination.

If a jurisdiction established a new base year in 2004, which years does CalRecycle use to calculate the equivalent per capita disposal rate?

In this case, the jurisdiction's equivalent per capita disposal target will be calculated by using the average of 2004, 2005, and 2006 per capita disposal rates.

What about new cities and new regional agencies?

CalRecycle will modify the method of calculating the 50 percent equivalent per capita disposal target for a jurisdiction to accommodate the incorporation of a new city, the formation of a new regional agency, or changes in membership of an existing member agency. This analysis is done on a case by case basis as is allowed by statute. Please contact your LAMD representative to discuss any new cities or regional agencies.

If a Regional Agency changes its membership, how is the base calculation adjusted?

SB 1016 specifically cites this instance as a special case. The calculation may use 2003-2006 generation numbers (using the base-years for all current members) and/or the year that best fits the current membership. A jurisdiction in this situation should contact its LAMD representative to discuss the options.

Reporting

Can my jurisdiction submit an alternative population (or employment) factor?

Under the provisions of SB 1016, as of January 1, 2009, only the population numbers issued by the California Department of Finance and the employment numbers issued by the California Employment Development Department can be used to determine a jurisdiction's per capita solid waste disposal rate. A jurisdiction is not permitted to submit alternative population and employment factors for this purpose. However, the per capita disposal rate does not, in itself, determine compliance with [Public Resources Code \(PRC\) Section 41780](#); it is only a factor to be used in determining the level of CalRecycle

review of a jurisdiction's program implementation. (See PRC Sections [41780.05\(b\)\(2\)](#) and [41825\(e\)\(5\)](#)). If desired, the jurisdiction may submit alternative employment, population, or any other information to CalRecycle which it believes describes its good faith effort to implement its programs. ([See PRC Section 41821\(c\)\(6\)](#)).

How will the 2007 Electronic Annual Report (EAR) differ from prior reports?

The primary change is a disposal per capita calculation rather than a diversion percentage calculation. The EAR will provide the 50 percent equivalent per capita disposal target and calculate per capita disposal based upon industry employment and population for each jurisdiction. Other minor EAR changes will be posted with an explanation on the web. Additionally, webinars will be held to demonstrate how the EAR works. NOTE: It is important to continue providing venues and events recycling information.

Do jurisdictions need to provide diversion data for their owned-and-operated diversion programs listed in the EAR?

This remains optional; it has never been mandatory to provide this data.

Can a jurisdiction submit a reporting year disposal modification request?

Yes. The disposal modification process is unchanged. Disposal modification requests should be submitted at the same time as the EAR or no later than the EAR submittal deadline.

Do I have to update my SRRE or HHWE if program changes take place?

No. Jurisdictions can continue to update their program implementation efforts in the EAR. The EAR contains all of your SRRE/HHWE programs and notes. Additionally, the EAR contains programs that have been added as alternative programs. If programs no longer apply or if new programs have been added, please explain these changes in the SRRE/HHWE Program section of the EAR.

Statewide

What is the latest statewide per capita disposal rate?

Find California's most recent disposal rate information on our [Statewide Per Capita Disposal Rate](#) page.

What data was used to calculate the statewide per capita disposal rate?

The following data was used to calculate the statewide per resident disposal rate:

- [Disposal](#) (Calendar Year) from CalRecycle's Disposal Reporting System. Disposal = Landfilled + Export, but not Transformation (due to statutory credit). No correction for inert facility definition changes in the early 2000s. No correction for disaster waste.
- Population data from the Department of Finance.

Did the slow economy cause the lower per capita disposal rates in 2009 and 2010?

When the economy slows, people produce less, buy less, and dispose of less. So, while the economic downturn has likely been the major driver of the significant drop in disposal, continued implementation of diversion programs has undoubtedly also led to decreased disposal. When the economy rebounds waste generation will increase as well, so if these decreases in disposal are to last, efforts to divert solid waste cannot wane. If the economy recovers rapidly and diversion programs are not in place to handle the increase in disposal, staff estimates the statewide diversion rate equivalent could drop significantly.

Many jurisdictions may face challenges maintaining their current diversion programs given the economy and revenue problems that could impact diversion program infrastructure. In a recovery, generation and disposal may both rebound more quickly than the diversion infrastructure and local programs. Even though times are very tough, now is the time to plan for the diversion programs that will be needed when the recovery comes.

How is the statewide per capita disposal rate calculation different than the old diversion rate system?

Statewide goal measurement from 1995 through 2006 used population, employment, and inflation-adjusted taxable sales to estimate waste generation tons for each measurement year. This waste generation amount was compared to reported disposal tons to calculate an estimated diversion rate.

California's per capita (per resident or per employee) disposal measurement system (SB 1016, Wiggins, Chapter 343, Statutes of 2008) is simpler and faster than the old method, because it now focuses only on disposal and population, two

readily available factors.

In either the old method or the new method, reported disposal is the metric, so reductions in disposal drive increases in diversion rates. In the old method, population, employment, and taxable sales were all used to estimate annual generation, which was the benchmark against which disposal was measured. The relative weighting was population (50 percent), employment (25 percent) and inflation corrected taxable sales (25 percent), so population has always been a key component. The inclusion of employment and taxable sales in the old method did introduce some adjustment for economics which are not included in the new method.

However, the [per employee disposal rate](#) is an indicator in the new system that may help address concerns since employment does vary more with changes in the economy than does population.

In 2007, the statewide diversion rate under the "old" goal measurement system was 58 percent, but the diversion rate under SB 1016 was 54 percent. Why is there a 4 percent difference?

In order to provide a benchmark that is consistent with the new methodology we require local jurisdictions to use, staff recalculated the 2007 statewide diversion rate equivalent to be 54 percent rather than the 58 percent reported late last year. The difference in rates is due to the base against which progress is measured. The 54 percent rate was generated using the same four-year average (2003 to 2006) for the statewide base that jurisdictions use. Now that we have a standardized methodology, the new methodology will provide results that are more consistent and more comparable from year to year. This change does not affect the official diversion rate for 2007 using the old goal measurement method, so it remained at 58 percent.

Diversion rate trends are available for [California's Estimated Statewide Diversion Rates Since 1995](#).

Will CalRecycle continue to calculate statewide diversion rates under the old system for comparisons?

The diversion rates under the old system were calculated using additional demographic factors, increasing base-year generation over time, different year types (calendar, federal fiscal and state fiscal) and different inputs/adjustments from year to year. These complexities highlight the relative simplicity of the new system. We do not plan to calculate the future diversion rates under the old system because the taxable sales data and the taxable sales deflator index is typically not released by the Board of Equalization for a significant amount of time after the end of the year. This lag time is one of the reasons that we switched methods.

[Goal Measurement](#) | [Local Government Central](#)

Last updated: July 12, 2011
Local Government Central <http://www.calrecycle.ca.gov/LGCentral/>
Local Assistance & Market Development: LAMD@calrecycle.ca.gov (916) 341-6199

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NOVATO SANITARY DISTRICT

MEMORANDUM

Meeting Date: September 20, 2017

To: Board Solid Waste Committee – Jean Mariani and Jerry Peters

From: Sandeep Karkal, General Manager-Chief Engineer
Dee Johnson, Solid/HHW Consultant

Subject: Calendar Year (CY) 2018 Solid Waste Rate Adjustment.

The Solid Waste Franchise Agreement (Agreement) between Novato Disposal Service and the District provides for an annual adjustment to Novato Disposal's rates based on the changes in the specified Refuse Rate Index (RRI), and any other relevant or applicable factors.

In CY2015, the rate adjustment was +3.00 percent, comprised of an RRI adjustment of +1.94 percent plus an account migration adjustment of +1.06 percent to mitigate the impacts on Novato Disposal's revenues of account migration from larger carts to smaller carts. In CY2016 and CY2017, the rate adjustment was +1.94 percent and +1.02 percent respectively, based solely on the RRI in both years.

For 2018, Novato Disposal Service timely submitted an overall rate adjustment of +5.20%, which included a request for:

1. An RRI adjustment of +2.75 percent, and
2. An "addback" adjustment of +2.45 percent to back-out the Balancing Account Adjustment for the period of 2013-2017 as provided in the Agreement.

The District engaged R3 Consulting Group (R3) to review Novato Disposal's CY2018 rate adjustment request. R3 completed their analysis and submitted the attached report to the District. Based on their review, R3 is recommending a total rate adjustment of +5.04 percent, comprised of:

1. An RRI adjustment of +2.74 percent,
2. An additive Balancing Account adjustment of +2.45 percent for the 2013-2017 period, as provided in the Agreement, and
3. A deductive (-)0.15 percent Balancing Account adjustment for the 2018-2022 period, as provided in the Agreement.

Based on the R3 report, staff recommends that the Solid Waste Committee accept R3's recommendation, and recommend a CY2018 maximum solid waste rate adjustment of +5.04 percent to the District Board for its approval.

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September 12, 2017

Mr. Sandeep Karkal
Novato Sanitary District
5000 Davidson Street
Novato, CA 94945

Re: Letter Report – Review of Novato Disposal Service’s Requested Rate Adjustment for Rate Year 2018

Dear Mr. Karkal:

R3 Consulting Group (R3) was engaged by the Novato Sanitary District (District) to assist with a review of Novato Disposal Service’s (Company) requested rate adjustment for Rate Year 2018 (January 1, 2018 – December 31, 2018). Specifically, R3 was asked to confirm that the rate adjustment methodology used by the Company is consistent with the Refuse Rate Index (RRI) Rate Adjustment Methodology set forth in Exhibit 2 of the Amended and Restated Franchise Agreement (Agreement) and that the calculation is mathematically accurate. This Letter Report communicates our findings and recommendations.

Objectives

- To review the Company’s requested rate increase to confirm that:
 - It is consistent with applicable terms and conditions of the Agreement;
 - It is mathematically accurate; and
 - It correctly accounts for the required Balancing Account adjustment to the rates.
- To recommend the appropriate Rate Year 2018 rate adjustment based on the results of our review; and
- To confirm the current Balancing Account balance.

Background

The Agreement provides for an annual adjustment to the Company’s rates based on the specified Refuse Rate Index (RRI), with the option to conduct a detailed rate review not more frequently than once every three (3) years. A copy of Article 6 of the Agreement (Company’s Compensation and Rates) is provided as Attachment 1.

As specified in the Agreement, the RRI adjustment is the sum of the weighted average percentage change in the twelve (12) month annual average of the specified indices for each of the following cost categories:

- Labor;
- Fuel;
- Vehicle Replacement;
- Vehicle Maintenance; and
- All Other.

The RRI also provides for adjusting the Disposal Fee and Organic Waste Processing Fee based on the change in the associated tipping fees. A copy of Exhibit 2 – Refuse Rate Index is provided as Attachment 2.

Section 6.3 of the Agreement (RRI Financial Information) states that:

- “On or before September 1, 2011, and annually thereafter during the term of this Agreement, the Company shall deliver to the District information for the specific services performed under this Agreement for the preceding Agreement Year. Such financial information shall be in a format as set forth in Exhibit 2, or as may be further revised by the District from time to time. If the Company fails to submit the financial information in the required format by September 1st, it is agreed that the Company shall be deemed to have waived the RRI adjustment for that year...”

The Company submitted an electronic copy of its 2018 Rate Adjustment Application to the District on August 23, 2017.

Recommended Rate Adjustment

The Company’s Rate Adjustment Application calculated a **5.20%** rate increase (Attachment 3) based on the specified RRI methodology. As part of our review, we verified that the Company’s financial information, cost category index values, and mathematical formulas were consistent with the RRI methodology included in the Restated Franchise Agreement. Based on our review, we are recommending an RRI rate adjustment of **5.04%** (Attachment 3).

The Company’s calculated rate adjustment removed the 2.45% Balancing Account rate reduction that had been in place since 2013, which was correct, however, it did not factor in the approximately \$82,000 balancing account balance for the five-year period ending December 31, 2016, which is due the District, and is to be accounted for as part of the 2018 rate adjustment. This \$82,000 balancing account balance equates to a rate decrease of 0.15% over each of the next five years. In addition, we updated the Company’s calculated annual percentage change in the Labor index to reflect an update to the June 2017 preliminary figure used by the Company. This resulted in a decrease of 0.01% in the calculated rate adjustment.

Balancing Account Calculation

Base Year Revenues

The balancing account was established to account for the change in recycling revenues during years when the RRI is used. When setting the 2008 Base Year rate, recycling revenues were projected at \$542,420. The RRI adjustments that are used for adjusting the rates during interim years (i.e., non-Base Years) do not account for any adjustments to the projected recycling revenues. The Balancing Account is intended to reflect the difference between actual recycling revenues received by the Company as compared to the 2008 Base Year projected recycling revenues.

2013 Balancing Account Rate Impact

Recycling revenues have been calculated for each year, starting with 2008 and using the specified methodology, and each calculated amount is compared to the 2008 projected revenue amount of \$542,420.¹ The difference is accounted for in the Balancing Account as either revenue due to the District

¹ This amount was established and referenced in R3’s Final Report; Review of Novato Disposal Service’s Rate Year 2008 Rate Application, December 6, 2007.

(if calculated recycling revenues are higher than the projected amount), or revenue due to the Company (if calculated recycling revenues are lower than the projected amount).

Per the rate adjustment methodology in the Agreement, the cumulative Balancing Account amount for 2008 through 2011 was accounted for in full when setting the rates for Calendar Year 2013. That Balancing Account amount of \$1,124,671 due to the District resulted in a net reduction of 2.45% to the calculated 2013 rate adjustment. That rate decrease is to remain in effect through 2017 as specified in Exhibit 7.2.b.i of the Agreement. As of January 1, 2018, that 2.45% rate reduction no longer applies, and the Rate Year 2018 calculated RRI adjustment is to be increased by 2.45% to reflect the discontinuation of the 2013 Balancing Account Rate Impact. An additional adjustment is to then be made to the calculated 2018 RRI adjustment to account for the 2018 Balancing Account Rate Impact (i.e., the net balancing account balance as of December 31, 2017 covering the five-year period 2012 through 2016), as discussed below.

2018 Balancing Account Rate Impact

Attachment 4 provides the language in the Agreement related to the Balancing Account. Attachment 5 provides R3's calculated Balancing Account balance as of December 31, 2016 based on the established methodology. R3's calculated Balancing Account balance is based on a CRV adjustment amount of \$4.19 per ton, consistent with the agreed upon figure that has been used since 2012. The Company's Balancing Account calculation did not use the updated Balancing Account calculation from the last year, and therefore projected an incorrect Balancing Account balance. The Company reported that it agrees with the updated Balancing Account calculation as reflected in Attachment 5.

As shown in Attachment 5, the Balancing Account balance due to the District for the five-year period ending December 31, 2017 is \$81,887 or \$16,378 annually (a 0.15% rate reduction) when spread across the next five-year period 2018 to 2022.

As stated in Exhibit 7, item 2.h ("Exit Clause"), of the Agreement (see Attachment 4):

"The parties agree that the proposed methodology is intended to provide a reasonable projection of the fair market value of revenues paid by third parties to the Company. Recycling material commodity prices can, however, be extremely volatile and factors other than those accounted for in the proposed methodology may impact the fair market value of revenues. To provide a contingency for such potential events, each party shall have the right to terminate the use of the methodology for establishing the monthly Per Ton Revenue Amount described in this Section at any time during the term of this Agreement at either party's sole discretion. The notification shall be in writing and shall be effective thirty calendar days after receipt. The exercising of said option shall not remove either party's obligation to the other party for any Balancing Account balance at the time said option is exercised and becomes effective."

The District's Agreement with the Company expires on December 1, 2025, unless otherwise extended by the District as provided for in Section 2.4, which provides the District with the sole option to extend the Agreement for a maximum additional sixty (60) months.

* * * * *

Mr. Sandeep Karkal
September 12, 2017
Page 4 of 4

We appreciate the opportunity to be of assistance to the District. If you have any questions regarding this submittal, please feel free to contact me by phone at (916) 782-7821, or by email at wschoen@r3cgi.com.

Sincerely,

R3 CONSULTING GROUP



William Schoen | Principal

Attachments:

Attachment 1	Article 6 – Company’s Compensation and Rates
Attachment 2	Exhibit 2 – Refuse Rate Index
Attachment 3	Rate Year 2018 Rate Adjustment Calculation – Company’s and R3’s Adjusted Calculation
Attachment 4	Exhibit 7 – Recyclable Materials Balancing Account
Attachment 5	Balancing Account Calculation

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Attachment 1

ARTICLE 6 COMPANY'S COMPENSATION AND RATES

6.1 General

The Company's compensation provided for in this article shall be the full, entire, and complete compensation due to the Company for all labor, equipment, materials, and supplies, taxes, insurance, bonds, overhead, disposal, profit, and all other things necessary to perform all the services required by this Agreement in the manner and at the times prescribed.

The Company will not look to the District for payment of any sums under this Agreement. The Company will perform the responsibilities and duties described in this Agreement in consideration of the right to charge and collect from Customers for services rendered at rates fixed by the District from time to time.

6.2 Refuse Rate Index Adjustments to Service Rates

6.2.1 Adjustments to Service Using the Refuse Rate Index (RRI). Beginning on January 1, 2012, and annually thereafter, the Company shall, subject to compliance with all provisions of this Article, shall receive an annual adjustment in of the Service Rates as set forth in Exhibit 1 of this Agreement.

6.2.2 RRI Adjustment. Beginning on January 1, 2012, and annually thereafter during the term of this Agreement, the Service Rates set forth in Section 6.2.1 above shall be adjusted by the RRI adjustment set forth below. In any year that the calculation of the RRI results in a negative number, there shall be no adjustment of the Service Rates. Instead, the negative RRI number shall be added to the result of the subsequent years RRI calculation and the result shall be the RRI adjustment for that subsequent year.

6.2.3 12-Month Annual Average. The RRI adjustment shall be the sum of the weighted percentage change in the twelve (12) month annual average of each RRI index number between the base year, which shall be the prior preceding fiscal year ending June 30th and the preceding fiscal year ending June 30th as contained in the most recent release of the source documents listed in Exhibit 2, ("REFUSE RATE INDEX") which is attached to and included in this Agreement. Therefore, the first Service Rate adjustment will be based on the percentage changes between the twelve (12) month Annual Average of the RRI indices for the fiscal year ending June 30, 2010 and the Annual Average of the RRI indices for the fiscal year ending June 30, 2011. The RRI shall be calculated using the RRI methodology included in Exhibit 2.

6.3 RRI Financial Information

On or before September 1, 2011, and annually thereafter during the term of this Agreement, the Company shall deliver to the District financial information for the specific services performed under this Agreement for the preceding Agreement Year. Such financial information shall be in the format as set forth in Exhibit 2, or as may be further revised by the District from time to time. If the Company fails to submit the

Attachment 1

1 financial information in the required format by September 1st, it is agreed that the
2 Company shall be deemed to have waived the RRI adjustment for that year. The
3 Company's failure to provide the financial information shall not preclude the District
4 from applying the RRI using the prior year's financial data, or pro forma data if no prior
5 year financial data is available, if that application would result in a negative RRI.

6 **6.3.1** Annual Adjustments shall be made only in units of one cent (\$0.01). Fractions of
7 less than one cent (\$0.01) shall not be considered in making adjustments. The
8 indices shall be truncated at four (4) decimal places for the adjustment
9 calculations.

10 **6.3.2** If the Company's failure to submit the financial information required under
11 Section 6.3 is the result of extraordinary or unusual circumstances as
12 demonstrated by the Company to the satisfaction of the District Manager-
13 Engineer, the District at its sole discretion, may consider the request for the
14 annual RRI rate adjustment.

15 **6.3.3** As of November 15, 2011, and annual thereafter during the term of this
16 Agreement, the District Manager-Engineer shall notify the Company of the RRI
17 adjustment to the affected service rates to take place on the subsequent January
18 1st.

19 **6.4 Recyclable Materials Balancing Account**

20 Because of the variation of Recyclable Materials commodity prices, the District and the
21 Company agree to use the Recyclable Materials Balancing Account as described in
22 Exhibit 7.

23 **6.5 District or Company Requested Detailed Rate Review**

24 The District or the Company may request a Detailed Rate Review to be conducted
25 following the procedures as specified in Exhibit 8. However, a Detailed Rate Review
26 shall not be conducted more than once every three (3) Agreement years. A request for a
27 Detailed Rate Review shall be made in writing at least six months prior to the January 1st
28 rate adjustment period for the year in which the results for the Detailed Rate Review are
29 to be applied. The Company shall pay the cost for the Detailed Compensation Review,
30 and the cost of such a Detailed Rate Review is an allowable pass-through cost.

31

Attachment 2

EXHIBIT 2 Refuse Rate Index

The "Refuse Rate Index" adjustment shall be calculated in the following manner:

1. The expenses of providing Collection Services in the Service Area for the designated fiscal period (July to June) shall be prepared in the format set forth in the Operating Cost Statement - Description on the following page of this Exhibit.
2. The expenses of providing Collection Services in the Service Area shall be broken down into one of the following seven cost categories: Labor; Fuel; Vehicle Replacement; Maintenance, Disposal Fee, Organic Waste Processing fee, and All Other. Each cost category is assigned a weighted percentage factor on that cost category's proportionate share of the total of the costs shown for all cost categories.
3. The following indices are used to calculate the adjustment for each cost category of the Service Rates. The change in each index is calculated on a twelve-month fiscal period (July to June). The twelve-month average index from July 2010 to June 2011 will serve as the "First Year Index".

<u>Cost Category</u>	<u>Index</u>
Labor	Series ID: ceu6056210008 Production Workers-Waste Collection
Fuel	California No 2 Diesel Ultra Low Sulfur (0-15 ppm) http://tonto.eia.doe.gov/oog/info/wohdp/diesel.asp
Vehicle Replacement	Series ID: pcu336211336211 Truck, bus, car and other vehicles bodies, for sale separately.
Vehicle Maintenance	Series ID: pcu333924333924 Parts and attachments for Industrial work trucks.
Disposal Fee	The per ton tip fee charged at the Disposal Facility.
Organic Waste Processing Fee	The per ton tip fee charged at the approved Organic Waste Processing Facility.
All Other	Consumer Price Index, Series ID: CUURA422SA0 CPI-All Urban Consumers, All Items, San Francisco,

4. The percentage weight for each cost category is multiplied by the change in each appropriate index to calculate a weighted percentage for each cost category. The weighted percentage changes for each cost category are added together to calculate the Refuse Rate Index for the Service Rates in Exhibit 1.

Attachment 2

EXHIBIT 2 Refuse Rate Index

Operating Cost Statement - Description	
Operating Costs	
Labor:	List all administrative, officer, operation and maintenance salary accounts. List payroll tax accounts directly related to the above salary accounts.
Fuel:	List all fuel and oil accounts.
Vehicle	
Replacement:	List all Collection and Collection related vehicle depreciation accounts. List all vehicle lease or rental accounts related to Collection or Collection related vehicles.
Vehicle	
Maintenance:	List all Collection or Collection related vehicle parts accounts.
Disposal Fee:	List all Landfill Disposal related accounts.
Organic Waste Processing Fee:	List all Organic Waste Processing related accounts.
All Other:	List all other expense accounts related to the services provided under this Contract. This category includes all insurance including general liability, fire, truck damage, extended coverage and employee group medical and life; rent on property, truck licenses and permits; real and personal property taxes; telephone and other utilities; employee uniforms; safety equipment; general yard repairs and maintenance; office supplies; postage; trade association dues and subscription; advertising; employee retirement or profit sharing contributions; and miscellaneous other expenses.

Attachment 3

Company's Calculated Rate Year 2018 Rate Adjustment

Cost Category	1-1-17 Rate Rev Base Breakdown	7-01-16 to 6-30-17 Change In Index	Percentage Weight for Each Cost Category	Weighted Percentage Change for Each Cost Category
Labor	\$2,657,975	1.670%	23.730%	0.40%
Fuel	\$523,104	6.420%	4.670%	0.30%
Vehicle Replacement	\$468,289	0.930%	4.180%	0.04%
Vehicle Maintenance	\$396,357	1.640%	3.540%	0.06%
Disposal Fee	\$1,740,701	2.130%	15.540%	0.33%
Organic Waste Processing Fee	\$526,824	2.120%	4.700%	0.10%
Other operating costs	\$4,888,306	3.480%	43.640%	1.52%
Total allowed operating costs	\$11,201,556		100.000%	2.75%
Balancing Account Adjustment Ending				2.45%
Refuse Rate Index Adjusted for Balancing Account				5.20%

R3's Calculated Rate Year 2018 Rate Adjustment

Cost Category	1-1-17 Rate Rev Base Breakdown	7-01-11 to 6-30-12 Change In Index	Percentage Weight for Each Cost Category	Weighted Percentage Change for Each Cost Category
Labor	\$2,657,975	1.660%	23.730%	0.39%
Fuel	\$523,104	6.420%	4.670%	0.30%
Vehicle Replacement	\$468,289	0.930%	4.180%	0.04%
Vehicle Maintenance	\$396,357	1.640%	3.540%	0.06%
Disposal Fee	\$1,740,701	2.130%	15.540%	0.33%
Organic Waste Processing Fee	\$526,824	2.120%	4.700%	0.10%
Other operating costs	\$4,888,306	3.480%	43.640%	1.52%
Total allowed operating costs	\$11,201,556		100.000%	2.74%
Back out Balancing Account Adjustment 2013-2017				2.45%
Add in Balancing Account Adjustment 2018-2022				-0.15%
Refuse Rate Index Adjusted for Balancing Account				5.04%

= Adjustment

Exhibit 7
Recyclable Materials Balancing Account

1. Recyclable Material Per Ton Net Revenue Amount.

Fair Market Value - For purposes of forecasting recyclable material net revenues for 2008, the Company shall use the calculated fair market value of recyclable material revenues for 2006, which shall equal the annual total of the fair market value for such material for each month times the associated monthly tonnage collected or received by the Company for calendar year 2006, times any applicable growth rate (the 2006 Projected Revenues). A similar methodology will be used for purposes of forecasting recyclable material sales revenues for subsequent years. That fair market value shall be calculated as follows:

- a. The fair market value of net revenue paid by related parties to the Company for recyclable materials net of processing costs, and any and all other costs (the Per Ton Net Revenue Amount), shall initially be set at \$44.85 per ton effective July 2005. This initial Per Ton Net Revenue Amount will be adjusted on a monthly basis, as described below.
- b. The prior month Per Ton Net Revenue Amount shall be adjusted for purposes of establishing the Per Ton Net Revenue Amount for the current month based on changes to the Official Board Markets Transacted Paper Stock Prices (OBM Index Prices) as reported for "San Francisco" as follows:
 - i. The starting point for the Per Ton Net Revenue Amount shall be \$44.85 per ton effective July 2005.
 - ii. The Per Ton Net Revenue Amount shall be adjusted monthly based on changes to the OBM Index Prices for Mixed Paper, #8 Newspaper and OCC as reported in the first weekly OBM issue of each month. The OBM Index Prices for each of these commodities shall be set at the average of the high and low prices reported each month, which are \$67.50, \$87.50 and \$87.50 respectively for July 2005.
 - iii. The weighted average percentages for Mixed Paper, #8 Newspaper and OCC for purposes of applying the OBM Index Prices shall be 46%, 46% and 8% respectively.
 - iv. Every month, one hundred percent (100%) of the weighted average O.B.M. index price adjustment (up or down) compared to the previous month shall be added or subtracted from the prior month Per Ton Revenue Amount for purposes of establishing the Per Ton Revenue Amount for each month.
- c. Example: The OBM Index Price adjustments from July 2005 to August 2005 for Mixed Paper, #8 Newspaper and OCC were -\$10/ton, -\$5/ton and -\$10/ton respectively. Applying the above referenced weighted average by material type, the price change July to August is -\$9.00/ton. The Per Ton Net Revenue Amount for July 2005 would decrease from \$44.85 to \$35.85 which is the Per Ton Net Revenue Amount for August 2005.

Exhibit 7
Recyclable Materials Balancing Account

- d. The calculated Per Ton Net Revenue Amount for each month shall be applied to all tonnages collected or received by the Company through the recycling program and delivered to related parties for processing for that month, including any and all processing residue, contaminants, non-processable or other material tonnages.
- e. Notwithstanding any provision of this Agreement to the contrary, at no time shall the Per Ton Net Revenue Amount paid by a related party be less than \$10 per ton (The Floor Price) nor more than \$80 per ton (The Ceiling Price) – The Floor Price and Ceiling Price shall be adjusted for the full impact of any change in the CRV value as provided for below.
- f. In the event of any future changes to the California Redemption Value (CRV) paid by the State of California, the Per Ton Net Revenue Amount shall be adjusted to account for that relative impact on the Per Ton Net Revenue Amount. That impact shall be determined by multiplying the total applicable CRV tons for the prior 12 months times the applicable net change in CRV per ton revenue to project the total additional annual CRV revenue. This total additional annual CRV revenue shall then be divided by the total tonnage collected or received by the Company through the recycling program for the prior 12 months to determine the net additional per ton revenue amount that shall be added to the calculated Per Ton Net Revenue Amount going forward. The parties agree that should the CRV value be adjusted on or after July 1, 2007, as provided for in the California Beverage Container Recycling and Litter Reduction Act, allowances will be made to the rates that are set for 2008 and beyond to fully account for this change, notwithstanding any provision of this Agreement to the contrary.

2. Balancing Account Calculation for Recyclable Materials.

Because of the potential volatility of recyclable material prices, the District and the Company agree to establish a Balancing Account for recyclable material sales revenue. The Balancing Account amount will be based on the difference between the projected revenues for each year (as calculated using the above methodology) and the calculated revenues for that year (i.e., the annual total of the actual monthly tonnage times the calculated Per Ton Revenue Amount for each month using the methodology described above).

- a. For purposes of tracking the Balancing Account amount, the Company shall provide the District with an annual report that includes:
 - i. A copy of the OBM Index Prices as reported in the first issue of each month;
 - ii. The total commingled recyclable tonnage delivered to any related party for processing;
 - iii. The calculated current month Per Ton Revenue Amount and the calculation used to determine that amount;
 - iv. The total monthly Calculated Revenue equal to the total tonnage collected or

Attachment 4

Exhibit 7 Recyclable Materials Balancing Account

- received by the Company through the recycling program and delivered to the related parties for processing times the calculated monthly Per Ton Revenue Amount); and
- v. All prior year to date monthly figures for the calendar year for items (ii) through (iv) above.
- b. The net cumulative Balancing Account amount for 2008 through 2011 shall be accounted for in full in setting the rates for Calendar Year 2013 as follows:
 - i. The net cumulative Balancing Account will be divided by five (to account for rates in 2013, 2014, 2015, 2016 and 2017) (the annualized Balancing Account amount);
 - ii. The Company's fiscal year 2011 audited financial statement rate revenue will be divided by the annualized Balancing Account amount to calculate the annualized Balancing Account rate adjustment; and
 - c. The calculated RRI rate adjustment for 2013 will be adjusted up (if the Balancing Account amount is due to the Company) or down (if the Balancing Account amount is due to the District) by the annualized Balancing Account rate adjustment, which shall be carried forward through rate year 2016.
 - d. The net cumulative Balancing Account amount for 2012 through 2016 shall be accounted for in full in setting the rates for Calendar Year 2018 by dividing that amount by five (to account for rates in 2018, 2019, 2020, 2021 and 2022) and applying the same rate adjustment methodology specified for Calendar Year 2013 in Section 6.6.6.2.2 above.
 - e. The net cumulative Balancing Account amount for 2017 through 2021 shall be accounted for in full in setting the rates for Calendar Year 2023 by dividing that amount by three (to account for rates in 2023, 2024 and 2025) and applying the same rate adjustment methodology specified for Calendar Year 2013 in Section 6.6.6.2.2 above.
 - f. The cumulative balancing account amount for Calendar Years 2022 through 2025 shall be paid by the applicable party to the other party in no less than equal annual payments over a period of no more than four years starting January 1, 2026, without interest.
 - g. In the event that a Detailed Rate Review is conducted the impact of the Balancing Account will be factored into the associated rate adjustment for that year in the same manner specified for Calendar Year 2013 in Section 6.6.6.2.2 above.
 - h. Exit Clause. -The parties agree that the proposed methodology is intended to provide a reasonable projection of the fair market value of revenues paid by third parties to the Company. Recyclable material commodity prices can, however, be extremely volatile and factors other than those accounted for in the proposed methodology may impact the fair market value of revenues. To provide a contingency for such potential

Attachment 4

Exhibit 7 Recyclable Materials Balancing Account

events, each party shall have the right to terminate the use of the methodology for establishing the monthly Per Ton Revenue Amount described in this Section at any time during the term of this Agreement at either party's sole discretion. The notification shall be in writing and shall be effective thirty calendar days after receipt. The exercising of said option shall not remove either party's obligation to the other party for any Balancing Account balance at the time said option is exercised and becomes effective.

- i. In the event that either party exercises its option to terminate the methodology for establishing the Per Ton Revenue Amount, the parties agree to negotiate a new methodology that is acceptable to both parties. In the event that the parties cannot agree on acceptable changes to the methodology, the fair market value will be based on a review of actual related recyclable material sales revenues and related processing expenses.

1

San Francisco OBM Prices
(average of high & low) ⁽¹⁾

2012	OBM Per Ton Revenue Amount	CRV Per Ton Adjustment	Per Ton Net Revenue Amount	Mixed Paper		#8 NP	OCC	Variance vs. Prior Month		100%	Total Tons	Total Revenue
				Paper	Mixed Paper			#8 NP	OCC			
Jan	\$70.50	\$4.19	\$74.69	\$82.50	\$4.60	\$120.00	\$135.00	\$55.20	\$10.79	\$70.60	933	\$ 69,685
Feb	\$73.60	\$4.19	\$77.79	\$87.50	\$2.30	\$120.00	\$145.00	\$0.00	\$0.80	\$3.10	859	\$ 66,820
Mar	\$73.60	\$4.19	\$77.79	\$87.50	\$0.00	\$120.00	\$145.00	\$0.00	\$0.00	\$0.00	1,001	\$ 77,866
Apr	\$73.60	\$4.19	\$77.79	\$87.50	\$0.00	\$120.00	\$145.00	\$0.00	\$0.00	\$0.00	924	\$ 71,877
May	\$72.80	\$4.19	\$76.99	\$87.50	\$0.00	\$120.00	\$135.00	\$0.00	-\$0.80	-\$0.80	968	\$ 74,526
Jun	\$71.60	\$4.19	\$75.79	\$87.50	\$0.00	\$120.00	\$120.00	\$0.00	-\$1.20	-\$1.20	1,051	\$ 79,655
Jul	\$68.90	\$4.19	\$73.09	\$82.50	-\$2.30	\$120.00	\$115.00	\$0.00	-\$0.40	-\$2.70	1,162	\$ 84,931
Aug	\$52.00	\$4.19	\$56.19	\$67.50	-\$6.90	\$100.00	\$105.00	-\$9.20	-\$0.80	-\$16.90	1,013	\$ 56,920
Sep	\$38.35	\$4.19	\$42.54	\$52.50	-\$6.90	\$87.50	\$92.50	-\$5.75	-\$1.00	-\$13.65	900	\$ 38,286
Oct	\$50.85	\$4.19	\$55.04	\$67.50	\$6.90	\$97.50	\$105.00	\$4.60	\$1.00	\$12.50	1,054	\$ 58,012
Nov	\$60.10	\$4.19	\$64.29	\$77.50	\$4.60	\$105.00	\$120.00	\$3.45	\$1.20	\$9.25	1,096	\$ 70,461
Dec	\$54.70	\$4.19	\$58.89	\$72.50	-\$2.30	\$100.00	\$110.00	-\$2.30	-\$0.80	-\$5.40	1,052	\$ 61,952

2012 Balancing Account Calculated Revenues = **\$ 810,991**
 2012 Projected Recyclable Materials Revenue = 542,420
 July 1, 2007 CRV Adjustment = 40,664
 Total 2012 Balancing Account Projected Revenues = **583,084**
 2012 Balancing Account Due to District (Company) = **227,907**

NET BALANCING ACCOUNT FOR 2012-2012 DUE TO DISTRICT (COMPANY) = **227,907**

2013	OBM Per Ton Revenue Amount	CRV Per Ton Adjustment	Per Ton Net Revenue Amount	Mixed Paper		#8 NP	OCC	Variance vs. Prior Month		100%	Total Tons	Total Revenue
			Paper	Mixed Paper	#8 NP			OCC	Price Adjustment			
Jan	\$54.70	\$4.19	\$58.89	\$72.50	\$0.00	\$100.00	\$110.00	\$0.00	\$0.00	\$0.00	1,092	\$ 64,307
Feb	\$59.70	\$4.19	\$63.89	\$82.50	\$4.60	\$100.00	\$115.00	\$0.00	\$0.40	\$5.00	927	\$ 59,226
Mar	\$60.50	\$4.19	\$64.69	\$82.50	\$0.00	\$100.00	\$125.00	\$0.00	\$0.80	\$0.80	1,010	\$ 65,336
Apr	\$60.50	\$4.19	\$64.69	\$82.50	\$0.00	\$100.00	\$125.00	\$0.00	\$0.00	\$0.00	1,054	\$ 68,182
May	\$52.80	\$4.19	\$56.99	\$72.50	-\$4.60	\$95.00	\$115.00	-\$2.30	-\$0.80	-\$7.70	1,091	\$ 62,175
Jun	\$49.35	\$4.19	\$53.54	\$72.50	\$0.00	\$87.50	\$115.00	-\$3.45	\$0.00	-\$3.45	1,027	\$ 54,985
Jul	\$49.75	\$4.19	\$53.94	\$72.50	\$0.00	\$87.50	\$120.00	\$0.00	\$0.40	\$0.40	1,078	\$ 58,146
Aug	\$45.55	\$4.19	\$49.74	\$67.50	-\$2.30	\$82.50	\$125.00	-\$2.30	\$0.40	-\$4.20	1,020	\$ 50,733
Sep	\$45.55	\$4.19	\$49.74	\$67.50	\$0.00	\$82.50	\$125.00	\$0.00	\$0.00	\$0.00	960	\$ 47,749
Oct	\$45.55	\$4.19	\$49.74	\$67.50	\$0.00	\$82.50	\$125.00	\$0.00	\$0.00	\$0.00	1,016	\$ 50,534
Nov	\$45.55	\$4.19	\$49.74	\$67.50	\$0.00	\$82.50	\$125.00	\$0.00	\$0.00	\$0.00	978	\$ 48,644
Dec	\$40.15	\$4.19	\$44.34	\$62.50	-\$2.30	\$77.50	\$115.00	-\$2.30	-\$0.80	-\$5.40	1,091	\$ 48,373

2013 Balancing Account Calculated Revenues = **\$ 678,389**
 2013 Projected Recyclable Materials Revenue = 542,420
 July 1, 2007 CRV Adjustment = 40,664
 Total 2013 Balancing Account Projected Revenues = **583,084**
 2013 Balancing Account Due to District (Company) = **95,305**

NET BALANCING ACCOUNT FOR 2012-2013 DUE TO DISTRICT (COMPANY) = **323,212**

Attachment 5

San Francisco OBM Prices (average of high & low) ⁽¹⁾										Price Adjustment	
Variance vs. Prior Month		100%		OCC		#8 NP		Total Tons		Total Revenue	
OBM Per Ton Revenue Amount	CRV Per Ton Adjustment	Per Ton Net Revenue Amount	Mixed Paper	#8 NP	OCC	Mixed Paper	#8 NP	OCC	100%	Total Tons	Total Revenue
2014											
Jan	\$37.85	\$4.19	\$42.04	\$62.50	\$72.50	\$115.00	\$0.00	-\$2.30	\$0.00	906	\$ 38,087
Feb	\$38.25	\$4.19	\$42.44	\$62.50	\$72.50	\$120.00	\$0.00	\$0.40	\$0.40	1,089	\$ 46,215
Mar	\$38.25	\$4.19	\$42.44	\$62.50	\$72.50	\$120.00	\$0.00	\$0.00	\$0.00	1,006	\$ 42,693
Apr	\$37.45	\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	-\$0.80	-\$0.80	1,042	\$ 43,387
May	\$37.45	\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	1,068	\$ 44,470
Jun	\$37.45	\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	1,052	\$ 43,804
Jul	\$37.45	\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	1,089	\$ 45,344
Aug	\$37.45	\$4.19	\$41.64	\$62.50	\$72.50	\$110.00	\$0.00	\$0.00	\$0.00	1,009	\$ 42,013
Sep	\$36.65	\$4.19	\$40.84	\$62.50	\$72.50	\$100.00	\$0.00	-\$0.80	-\$0.80	983	\$ 40,145
Oct	\$36.25	\$4.19	\$40.44	\$62.50	\$72.50	\$95.00	\$0.00	-\$0.40	-\$0.40	1,093	\$ 44,200
Nov	\$36.25	\$4.19	\$40.44	\$62.50	\$72.50	\$95.00	\$0.00	\$0.00	\$0.00	968	\$ 39,145
Dec	\$36.05	\$4.19	\$40.24	\$62.50	\$72.50	\$92.50	\$0.00	-\$0.20	-\$0.20	1,292	\$ 51,990
2014 Balancing Account Calculated Revenues = \$ 521,493 2014 Projected Recyclable Materials Revenue = 542,420 July 1, 2007 CRV Adjustment = 40,664 Total 2014 Balancing Account Projected Revenues = 583,084 2014 Balancing Account Due to District (Company) = (61,591)											
NET BALANCING ACCOUNT FOR 2012-2014 DUE TO DISTRICT (COMPANY) = 261,621											
2015											
Jan	\$35.65	\$4.19	\$39.84	\$62.50	\$72.50	\$87.50	\$0.00	\$0.00	-\$0.40	1,171	\$ 46,652
Feb	\$29.02	\$4.19	\$33.21	\$55.70	\$67.50	\$72.50	-\$3.13	-\$2.30	-\$1.20	960	\$ 31,884
Mar	\$22.55	\$4.19	\$26.74	\$52.50	\$67.50	\$67.50	-\$1.47	-\$4.60	-\$0.40	1,024	\$ 27,382
Apr	\$24.85	\$4.19	\$29.04	\$62.50	\$67.50	\$67.50	\$0.00	\$2.30	\$0.00	1,055	\$ 30,638
May	\$25.25	\$4.19	\$29.44	\$52.50	\$62.50	\$72.50	\$0.00	\$0.00	\$0.40	1,016	\$ 29,911
Jun	\$30.65	\$4.19	\$34.84	\$57.50	\$67.50	\$82.50	\$2.30	\$2.30	\$0.80	1,145	\$ 39,892
Jul	\$36.05	\$4.19	\$40.24	\$62.50	\$72.50	\$92.50	\$2.30	\$2.30	\$0.80	1,119	\$ 45,028
Aug	\$36.05	\$4.19	\$40.24	\$62.50	\$72.50	\$92.50	\$0.00	\$0.00	\$0.00	1,084	\$ 43,620
Sep	\$35.65	\$4.19	\$39.84	\$62.50	\$72.50	\$87.50	\$0.00	-\$0.40	-\$0.40	998	\$ 39,760
Oct	\$35.65	\$4.19	\$39.84	\$62.50	\$72.50	\$87.50	\$0.00	\$0.00	\$0.00	983	\$ 39,163
Nov	\$30.65	\$4.19	\$34.84	\$57.50	\$67.50	\$82.50	-\$2.30	-\$2.30	-\$0.40	934	\$ 32,540
Dec	\$30.65	\$4.19	\$34.84	\$57.50	\$67.50	\$82.50	\$0.00	\$0.00	\$0.00	1,116	\$ 38,881
2015 Balancing Account Calculated Revenues = \$ 445,351 2015 Projected Recyclable Materials Revenue = 542,420 July 1, 2007 CRV Adjustment = 40,664 Total 2015 Balancing Account Projected Revenues = 583,084 2015 Balancing Account Due to District (Company) = (137,733)											
NET BALANCING ACCOUNT FOR 2012-2015 DUE TO DISTRICT (COMPANY) = 123,888											

2016	OBM Per Ton Revenue Amount	CRV Per Ton Adjustment	Per Ton Net Revenue Amount	San Francisco OBM Prices (average of high & low) ⁽¹⁾		Variance vs. Prior Month		Price Adjustment		Total Tons	Total Revenue
				#8 NP	OCC	Mixed Paper	#8 NP	OCC	100%		
Jan	\$26.05	\$4.19	\$30.24	\$52.50	\$82.50	\$62.50	-\$2.30	\$0.00	-\$4.60	972	\$ 29,393
Feb	\$26.05	\$4.19	\$30.24	\$52.50	\$82.50	\$62.50	\$0.00	\$0.00	\$0.00	904	\$ 27,337
Mar	\$28.35	\$4.19	\$32.54	\$52.50	\$82.50	\$62.50	\$2.30	\$0.00	\$2.30	1,024	\$ 33,321
Apr	\$33.35	\$4.19	\$37.54	\$57.50	\$87.50	\$72.50	\$2.30	\$0.40	\$5.00	921	\$ 34,574
May	\$35.65	\$4.19	\$39.84	\$62.50	\$87.50	\$72.50	\$0.00	\$0.00	\$2.30	953	\$ 37,967
Jun	\$40.25	\$4.19	\$44.44	\$67.50	\$87.50	\$77.50	\$2.30	\$0.00	\$4.60	998	\$ 44,351
Jul	\$45.65	\$4.19	\$49.84	\$72.50	\$97.50	\$82.50	\$2.30	\$0.80	\$5.40	913	\$ 45,504
Aug	\$55.85	\$4.19	\$60.04	\$82.50	\$110.00	\$92.50	\$4.60	\$1.00	\$10.20	972	\$ 58,359
Sep	\$53.15	\$4.19	\$57.34	\$77.50	\$105.00	\$92.50	-\$2.30	-\$0.40	-\$2.70	910	\$ 52,179
Oct	\$52.75	\$4.19	\$56.94	\$77.50	\$100.00	\$92.50	\$0.00	-\$0.40	-\$0.40	947	\$ 53,922
Nov	\$57.75	\$4.19	\$61.94	\$87.50	\$105.00	\$92.50	\$4.60	\$0.40	\$5.00	983	\$ 60,887
Dec	\$61.60	\$4.19	\$65.79	\$92.50	\$110.00	\$95.00	\$2.30	\$0.40	\$3.85	962	\$ 63,290

2016 Balancing Account Calculated Revenues = **\$ 541,084**
 2016 Projected Recyclable Materials Revenue = 542,420
 July 1, 2007 CRV Adjustment = 40,664
 Total 2016 Balancing Account Projected Revenues = **583,084**
 2016 Balancing Account Due to District (Company) = **(42,000)**

NET BALANCING ACCOUNT FOR 2012-2016 DUE TO DISTRICT (COMPANY) = 81,888

⁽¹⁾ First weekly OBM issue of each month
 Floor per ton = \$10.00 Max = \$80.00 (to be adjusted for any change in CRV)